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UNFAIR COMPETITION.

UNFAIR competition, as the designation of a legal wrong which the law will undertake to redress or prevent, has only of late years begun to make its appearance in the books. To most lawyers, it is safe to say, the title carries no very definite meaning, for as yet its use is almost entirely confined to the reports, and in these it is used only in the most general way, and always with the facts of the particular case in view, while it is quite unrecognized in digest, text-book, or dictionary.

This is not to say there is no Unfair Competition literature, for the fact is otherwise. Mr. Sebastian in his book upon Trade Marks has a chapter entitled "Cases Analogous to those of Trade Mark," which cites the cases. Mr. Browne¹ also has a chapter on "Rights Analogous to those of Trade Marks," while Mr. Kerly² discusses the cases under the title of "The Action for 'Passing Off.'"

This method of treatment regards as unimportant whatever variation may exist among the so called "analogous" cases *inter se*, and is content to regard this law as a mere parasite upon the trade mark branch. The growing importance and the increasing amount of this new law, not only absolutely but also relatively to trade mark law, makes it certain that a treatment of these cases more in keeping with the present and prospective relative importance of the two branches must soon be accorded by the text writers. In the mean time it seems worth while to attempt some examination of these cases, and it will be the object of this paper to indicate very briefly indeed the relations and the differences among these so called "analogous" cases, and between these cases and trade mark cases, and to notice some of the principal rules and distinctions which have been settled, or which are now in process of settlement.

Logically speaking, the fact is that Unfair Competition is properly a generic title, of which trade mark is a specific division. Practically, however, the earlier development of the law of trade marks has fixed a different arrangement and has established trade

¹ Browne on Trade Marks.

² Kerly on Trade Marks.

marks as an independent title in the law. The scope of the generic name must therefore be correspondingly restricted.

There is another consequence of the earlier development of trade mark law to which it is important as a practical matter to direct attention, namely, the firm hold which the strict rules of technical trade mark and the trade mark terminology have acquired in the legal mind, with the consequent and very confusing result that a great number of Unfair Competition cases are argued and decided in terms of trade mark, while other cases of Unfair Competition are tried and decided upon theories applicable only to technical trade mark cases.¹

For the purposes of this article it will be convenient to state a few typical cases of Unfair Competition.

Knott v. Morgan,² decided in 1836, is the first, or almost the first, case of Unfair Competition. There, omnibuses of the London Conveyance Company being painted, and their servants clothed, in a special and distinctive manner, the defendant began to run omnibuses similarly painted, with servants similarly clothed. An injunction was granted.

¹ In *Enoch Morgan's Sons Co. v. Wendover*, 43 Fed. Rep. 420, the complainant had a trade mark in the word "Sapolio," used to designate a particular kind of soap. When persons called at defendant's shop and asked for "Sapolio," the defendant's salesman would, without explanation, pass out a soap called "Pride of the Kitchen," on which these words were plainly marked, and receive the customary price. The wrappers of the two soaps differed entirely, and also the size and shape of the cakes. Held, although no use of the word "Sapolio" on the soap and no resemblance in the packages, the transaction amounted to an infringement of plaintiffs' trade mark. Injunction. *Enoch Morgan's Sons Co. v. Wendover* is an illustration of a case of Unfair Competition decided in terms of trade mark.

In *Davis v. Davis*, 27 Fed. Rep. 490, the plaintiff had a trade mark consisting of a representation of a box of soap in which the soap was packed in alternate red and yellow wrappers. The defendant packed his soap in alternate red and yellow wrappers so that the box, when open, presented the appearance of plaintiff's trade mark. Held, that this was not an infringement of plaintiff's trade mark, and an injunction refused. It cannot be doubted that had the plaintiff's case been presented upon the theory that the defendant's goods were "dressed" to imitate the "dress" of the plaintiff's goods, as was undoubtedly the fact, and that the result was confusion in the trade, and damage to the plaintiff, the result would have been different. See *Adams v. Heisel*, 31 Fed. Rep. 279.

² 2 Keen, 213. See also *Weinstock v. Marks*, 109 Cal. 529, in which case the defendant had put up a building next to the plaintiff's building which was identical in appearance with the plaintiff's building, in consequence of which the plaintiff's customers went into defendant's shop supposing it to be the plaintiff's shop. Held, that the defendant must distinguish his building from that of the plaintiff "in some mode or form that shall be a sufficient indication to the public that it is a different place of business from that of the plaintiff."

The case marks a distinct advance in two particulars over anything previously known to trade mark law: first, that the plaintiff received protection, although he could not, in the nature of things, establish any exclusive right in himself, which had in trade mark law been regarded as essential; and, secondly, that the protection given was not to vendible goods in the market,¹ which was also an essential in trade marks.

The principle of *Knott v. Morgan*, namely, that the defendants "could not deprive the plaintiffs of the fair profits of their business by attracting custom upon the false representation that carriages really the defendants' belonged to and were under the management of plaintiffs,"² the representation being "by an accumulation of resemblances,"³ has been since applied in innumerable cases where the act complained of consisted in "dressing up," as it is called, the goods of the defendant to look like the goods of the plaintiff. In some cases the defendant made his package or "dress" an exact copy of that of the plaintiff,⁴ while in others he has been content to imitate labels, patterns, and styles,⁵ or packages and labels,⁶ or peculiarities of the package alone,⁷ or peculiar labels alone.⁸

In *Hennessy v. Hogan*,⁹ and *Hennessy v. White*,¹⁰ in the Supreme Court of Victoria, the facts were practically identical. The plaintiff was a distiller who made brandy of two qualities, the better quality being sold only in bottles, while the inferior quality was sold in bulk. The defendants purchased the bulk brandy

¹ See *Marsh v. Billings*, 7 Cush. 322; *Stone v. Carlan*, 13 Monthly L. R. 360.

² Per Lord Langdale, M. R.

³ Per Wood, V. C., in *Wallom v. Ratcliff*, 1 H. & M. 259.

⁴ *Von Mumm v. Frash*, 56 Fed. Rep. 830; *Carbolic Soap v. Thompson*, 25 Fed. Rep. 635; *Sawyer v. Horn*, 1 Fed. Rep. 24; *Frese v. Bachof*, 13 Pat. Off. Gaz. 635; *Williams v. Spencer*, 25 How. Pr. 365; *Williams v. Johnson*, 2 Bro. 1; *Abbott v. The Bakers' Asso.*, W. N. 1872, p. 31.

⁵ *Cleveland Stone Co. v. Wallace*, 52 Fed. Rep. 431.

⁶ *Sawyer v. Kellogg*, 7 Fed. Rep. 720; *Leclanch Co. v. West. Elec. Co.*, 23 Fed. Rep. 276; *Royal Co. v. Davis*, 26 Fed. Rep. 293; *Moxie Nerve Food Co. v. Beach*, 33 Fed. Rep. 248; *Jennings v. Johnson*, 37 Fed. Rep. 364; *Myers v. Theller*, 38 Fed. Rep. 607; *Morgan's Sons Co. v. Troxell*, 23 Hun, 632; *Wolfe v. Hart*, 4 Vict. L. R. Eq. 134; *Fullwood v. Fullwood*, W. N. 1873, p. 185; *Henry v. Price*, 1 Leg. Obs. 364.

⁷ *Sawyer v. Hubbard*, 32 Fed. Rep. 388.

⁸ *Meyer v. Bull*, (C. C. A.) 58 Fed. Rep. 884; *Wellman v. Ware*, 46 Fed. Rep. 289; *Estes v. Worthington*, 31 Fed. Rep. 154; *Association v. Clarke*, 26 Fed. Rep. 410; *Glen Cove Mfg. Co. v. Ludeling*, 22 Fed. Rep. 823; *The Anglo Swiss Cond. Milk Co. v. The Swiss Cond. Milk Co.*, W. N. 1871, p. 163; *Day v. Buirning*, 1 Leg. Obs. 205.

⁹ 6 W. W. & A'B. Eq. 216.

¹⁰ 6 W. W. & A'B. Eq. 225.

and bottled it as Hennessy's Brandy in bottles bearing a label sufficiently similar to that used by the plaintiff on his bottles to deceive unwary or careless purchasers. An injunction was granted.¹

In *Hostetter Co. v. Bruëggemann Co.*,² the plaintiff made and sold "Hostetter's Bitters," and owned the trade marks, brands, labels, etc., used in the business. The defendant manufactured bitters very similar in appearance and flavor, which it sold in bulk to its customers, advising them to refill empty Hostetter bottles and put them on the market as genuine. Held, that in so advising its customers it was guilty of a wrong which equity would enjoin.³

In *Merriam v. Texas Siftings Publishing Co.*,⁴ the defendant advertised a reprint of the 1847 edition of Webster's Dictionary, the copyright having expired, as "Latest edition, 10,000 new words, etc. Old price \$8, the new, low price of \$1 made possible by improvements in machinery," etc. Held, on application of the owner of the copyright of subsequent editions, that the defendant be enjoined against the further circulation of such misleading advertisements, and that, because of their already extensive circulation a printed slip must thereafter be attached to each book stating it to be a reprint of the edition of 1847.⁵

In *Cave v. Myers*,⁶ the plaintiff carried on business in Wigmore Street under the name of "H. J. Cave & Sons." The defendant, who occupied a corner shop in Wigmore Street, near by, adopted the name of "Cavendish House" for his establishment, and had it painted up by his express order over the frontage, in place of his name "Myers," in such a manner that "Cave" alone appeared upon the Wigmore Street side. Injunction.⁷

¹ *Gillott v. Kettle*, 3 Duer, 624, *accord*. See *Krauss v. Jos. R. Peebles Sons Co.*, 58 Fed. Rep. 585.

² 46 Fed. Rep. 188.

³ See *Hostetter v. Fries*, 17 Fed. Rep. 620; *Hostetter v. Von Vorst*, 62 Fed. Rep. 600; *Hostetter v. Becker*, 73 Fed. Rep. 297; *Hunt v. Maniere*, 34 L. J. Ch. 144; *Hostetter v. Anderson*, 1 Vict. Rep. Eq. 7. See also *Evans v. Von Laer*, 32 Fed. Rep. 153.

⁴ 41 Fed. Rep. 944.

⁵ *Accord*, *Harper v. Pearson*, 3 L. T. N. S. 547; *Fullwood v. Fullwood*, 9 Ch. D. 176; *Selby v. Anchor Tube Co.*, W. N. 1877, p. 191; *Thorley's Cattle Food Co. v. Massam*, 14 Ch. D. 763.

⁶ Seton, 4th edition, 238.

⁷ *Accord*, *Walker v. Alley*, 13 Grant Up. Can. Ch. 366; *Mallen v. Davis*, 3 *The Times* L. R. 221; *Colton v. Thomas*, 3 Brewst. 308; *Devlin v. Devlin*, 69 N. Y. 212; *Genin v. Chadsey*, cited 2 Brewst. 330; *Hookam v. Pottage*, L. R. 8 Ch. 91; *Glenny v. Smith*, 13 L. T. N. S. 11; *Scott v. Scott*, 16 L. T. N. S. 143.

Imitation of the name of a hotel was restrained in *Howard v. Henriques*,¹ *Woodward v. Lazar*,² *McCardell v. Peck*,³ and *Wood v. Sands*,⁴ and imitation of an address in *The Glen & Hall Mfg. Co. v. Hall*.⁵

In *Orr, Ewing & Co. v. Johnson*,⁶ the plaintiffs had an unregistered trade mark for yarn of which a picture of two elephants was a feature. Owing to this, the plaintiffs' ticket had acquired among the natives of India the name "Bhe Hathi," or "Two Elephant" ticket. The plaintiffs' trade mark had been refused registration on the ground that "elephant" trade marks were common to the trade. The defendant began to export yarn, and to place upon it a ticket of a similar shape and a similar color to plaintiffs' ticket (the shape and color being common to the trade), and having upon it two elephants differing in appearance. Held that, though it was not probable that English purchasers or Indian dealers would be deceived, it was not improbable that the ultimate purchasers in India would be, in consequence of the defendant's ticket being calculated to obtain the same name of "Bhe Hathi" as the plaintiffs'. Injunction.

In *Hohner v. Gratz*,⁷ the plaintiff sold harmonicas in the United States, marked with his name. The defendant put harmonicas on the market, marked with his own name in small letters, and in large letters the words "Improved Hohner." Injunction and account.

Again, in *Investor Publishing Co. v. Dobinson*,⁸ the plaintiff published a paper called "United States Investor." The defendant, a corporation of the same name, began publication of a paper called "Investor," stated in its columns to be published by the Investor Publishing Co. Held a case for equitable relief.

In *Gouraud v. Trust*,⁹ the plaintiff, whose name was originally Trust, changed it to Gouraud, and established a business in toilet preparations. His sons, who had not changed their name, began to sell similar goods under the name of "Gouraud's Sons." Injunction.¹⁰

Among minor matters dealt with it has been held that an injunction would issue against the use by defendant of testimonials

¹ 3 Sandf. 725.

² 21 Cal. 448.

³ 28 How. Pr. 120.

⁴ Fed. Cas. 17963.

⁵ 61 N. Y. 226.

⁶ 40 L. T. N. S. 307.

⁷ 52 Fed. Rep. 871.

⁸ 72 Fed. Rep. 603.

⁹ 3 Hun, 627.

¹⁰ See *England v. N. Y. Pub. Co.*, 8 Daly, 375.

given to plaintiff,¹ against statements as to former employment made in such a way as to produce deception,² against a false representation that defendant was plaintiff's agent,³ against a false representation that plaintiff was defendant's agent,⁴ against a false representation as to date of establishing a business, calculated to represent a new business as the same business as an old established and still existing business,⁵ and against a representation by a manufacturer that his goods are the "original" at the suit of the first manufacturer of the goods.⁶ It is also held to be immaterial that only careless or ignorant persons can be deceived by the acts complained of if fraud on defendant's part be found.⁷

GOOD WILL.

The assets of a going business consist of the land which it may own, its leases, stock in trade, credits, and, lastly, an intangible something called Good Will.

The learned reader will doubtless judicially notice the fact that this good will may well be, and very often is in fact, the principal asset of the business, an obvious example being a successful newspaper or patent medicine business. That good will is a thing of value, and a subject of property, was very early recognized,⁸ and it is now well settled. "The good will of a trade is a subject of value and price. It may be sold, bequeathed, or become assets in the hands of the personal representative of the trader." Per Tindal, C. J., in *Hitchcock v. Coker*.⁹

Included in and making up the good will, and passing with it upon a sale of the business, is the business name,¹⁰ the trade marks,¹¹ the trade names,¹² and the trade secrets¹³ of the business;

¹ *Franks v. Weaver*, 10 Beav. 297.

² *Scott v. Scott*, 16 L. T. N. S. 143.

³ *Howe v. McKernan*, 30 Beav. 547.

⁴ *Coleman v. Flavel*, 40 Fed. Rep. 854.

⁵ *Fullwood v. Fullwood*, 9 Ch. D. 176.

⁶ *Cox v. Chandler*, L. R. 11 Eq. 446; *Lazenby v. White*, 41 L. J. Ch. 354.

⁷ *Von Mumm v. Frash*, 56 Fed. Rep. 830; *Enoch Morgan's Sons v. Wendover*, 43 Fed. Rep. 420; *Brooklyn White Lead Co. v. Masury*, 25 Barb. 416; *Hennessy v. White*, 6 W. W. & A'B. Eq. 216; *Wolfe v. Hart*, 4 Vict. L. R. Eq. 134.

⁸ *Giblett v. Read*, 9 Mod. 459.

⁹ 6 Ad. & E. 438.

¹⁰ *Levy v. Walker*, 10 Ch. D. 436.

¹¹ *Shipwright v. Clements*, 19 W. R. 599.

¹² *Banks v. Gibson*, 34 Beav. 566.

¹³ *James v. James*, L. R. 13 Eq. 421.

and covenants¹ and testimonials given to the business.² And as the good will itself is property, the parts of which it is made up are, separately considered, property.³

The notion of property in good will, and the constituent parts of good will, is of the highest importance, as upon it from the first the jurisdiction of equity has been solely based, and from this idea has flowed the fundamental rule that to recover the plaintiff must show a right at the very least as against the defendant. The courts have proceeded upon the theory of protecting property where the legal remedy was inadequate or illusory, or irreparable damage possible. Protection of the public from deception has been more than once put forward as a ground for interference, but it is well settled that equity has no jurisdiction upon this ground.⁴ Deception of the public is material only as the test of infringement, and as bearing upon the question of damages.

In the *Emperor of Austria v. Day & Kossuth*,⁵ the defendants, without the authority of the plaintiff, who was the King of Hungary, issued notes purporting to be Hungarian notes. Injunction granted to restrain the defendants from issuing such notes on the ground of property in the plaintiff. Per Turner, L. J.: "I agree that the jurisdiction of this court in a case of this nature rests upon injury to property, actual or prospective, and that this court has no jurisdiction to prevent the commission of acts which are merely criminal, or merely illegal, and do not affect any rights of property."

In the *Leather Cloth Co. v. The American Leather Cloth Co.*,⁶ Lord Westbury, C., says: "The true principle therefore would seem to be, that the jurisdiction of the court in the protection given to trade marks rests upon property, and that the court interferes by injunction because that is the only mode by which property of this description can be effectually protected."

But it should be held in mind that property in matters such as we are considering differs of necessity, in many important particulars, from property in other subjects of ownership. A trade mark,

¹ *Showell v. Winkup*, 60 L. T. N. S. 389.

² *Franks v. Weaver*, 10 Beav. 297.

³ *McLean v. Fleming*, 96 U. S. 45; *Schneider v. Williams*, 44 N. J. Eq. 391; *Hovenden v. Lloyd*, 18 W. R. 1132; *Le Page Co. v. Russia Cement Co.*, (C. C. A.) 51 Fed. Rep. 941; *Oakes v. Tonsmiere*, 49 Fed. Rep. 447; *James v. James*, L. R. 13 Eq. 421.

⁴ *N. Y. Cement Co. v. Copley Cement Co.*, 44 Fed. Rep. 247; *Levy v. Walker*, 10 Ch. D. 436; *Weston v. Ketchum*, 51 How. Pr. 455. See *Chadwick v. Covell*, 151 Mass. 190.

⁵ 3 DeG. F. & J. 217.

⁶ 4 DeG. J. & S. 137.

a business name, or a trade name, derives its value from the esteem in which it is held by the public, and to create this esteem, labor, money, and time, not to mention other nobler elements, must all be combined. "I take property, when used in this connection and sense, to be a means by which money or money's worth, in the shape of profit or otherwise, is created or obtained." Per Van Koughnet, Chancellor of Upper Canada, in *Walker v. Alley*.¹

If the cases, stated above, be examined, it will be found that the wrongful act of the defendant in any particular case was an attempt, upon the part of the defendant, to appropriate to himself the benefit of some one or another of the constituent parts that go to make up the good will of a business.

The omnibus case, though the parent case of all the "dressing up" cases, is distinct from them, and peculiar in this, that the general appearance of the omnibuses and their crews really represented the business of the plaintiff. The attack was upon the entire good will of the plaintiff's business. The "dressing up" cases on the other hand are, as will be hereafter explained, in reality trade mark cases. The attack upon the good will in the "dressing up" cases, then, is an attack upon a trade mark.

The same is true in the "substitution" cases,² the inferior quality of the goods lessening confidence in the trade mark; a secondary effect being that the defendant is enabled to appropriate in part the plaintiff's market by the confidence which the use of the trade mark inspires.

In *Carlsbad v. Tibbets*,³ *Merriam v. Texas Siftings Co.*,⁴ and *Orr, Ewing & Co. v. Johnson*,⁵ the attempt was made to appropriate the benefit of the trade name, and in *Howard v. Henriques*⁶ the appropriation attempted was of a local trade name.

The other cases illustrate attempts more or less direct to appropriate the benefit of an established business name.

"DRESSING UP."

In all the "dressing up" cases cited above, the defendant "accumulated resemblances." The plaintiff's right was not rested upon any one thing. It did not consist in shape alone, nor in color

¹ 13 Grant Up. Can. Ch. 366.

² *Hennessy v. Hogan*, 6 W. W. & A'B. Eq. 216; *Hostetter v. Bruëggemann Co.*, 46 Fed. Rep. 188.

³ 51 Fed. Rep. 852.

⁵ 40 L. T. N. S. 307.

⁴ 41 Fed. Rep. 944.

⁶ 3 Sandf. 725.

alone, nor in any other particular alone. It consisted in a combination of several particulars,¹ the accumulation of which was evidence in itself of a desire upon the part of the defendant to cause his goods to look like the goods of the plaintiff, — a desire which could not obviously have any honest basis, nor could such accumulation be of necessity.²

Cases arose, however, in which the plaintiff rested his right upon one particular alone, or, at any rate, in which that view was taken by the court. For example, the plaintiff claimed the exclusive right to a barrel of peculiar shape and capacity,³ to the color of a label,⁴ to the color of a capsule,⁵ and to the color of the paper in which his goods were wrapped,⁶ and in these cases the limitation of the "dressing up" doctrine has been laid down; namely, that to gain protection the plaintiff's package must be sufficiently distinct from that which is of common right.⁷ And this is obviously a just limitation. For while a package of many particulars is equally effective for the purposes of the plaintiff, it is practically no limitation upon the right of the public; but if a certain colored paper or the like may be appropriated by one manufacturer in packing his goods, a very small number of manufacturers may render it difficult or impossible for a new comer in the trade to pack his goods without infringing the wide rights of those already in the business.

In *Harrington v. Libby*,⁸ the plaintiff, a manufacturer of paper collars, was the first to put them up in a tin pail. An injunction to restrain the defendant from selling his paper collars in tin pails was refused, on the ground that the plaintiff could not appropriate to himself for a particular use a package already in common use for other purposes.

The recent development of the law has, however, modified these limiting cases, and has created a conflict which it will require further decision to set at rest. In *Von Mumm v. Frash*,⁹ an injunction was granted against the use of a rose colored capsule;

¹ *Lever v. Goodwin*, 36 Ch. D. 1.

² *Taylor v. Taylor*, 2 Eq. Rep. 290; s. c. 23 L. J. Ch. 255.

³ *Moorman v. Hoge*, Fed. Cas. 9783.

⁴ *Fleischman v. Starky*, 25 Fed. Rep. 127.

⁵ *Mumm v. Kirk*, 40 Fed. Rep. 589.

⁶ *N. K. Fairbank Co. v. R. W. Bell Mfg. Co.*, 71 Fed. Rep. 295.

⁷ See *Stachelberg v. Ponce*, 128 U. S. 686; 9 Sup. Ct. Rep. 200; *Cady v. Schultz*,

32 Atl. Rep. 915 (R. I.); *Evans v. Von Laer*, 32 Fed. Rep. 153.

⁸ 12 Pat. Off. Gaz. 188.

⁹ 56 Fed. Rep. 830.

and in *Hildreth v. McDonald*,¹ against printing in red ink upon a package, every feature of which was common to the trade except the color of the ink used in the printing. In *Cook v. Ross*,² the plaintiff was held to have an exclusive right in a bottle of peculiar shape. Upon the strength of these cases it may be said that an exclusive right may be acquired in matters which have heretofore been held to be of common right, and not capable of exclusive appropriation; — a conclusion which is against the reasoning and decision of the limiting cases just cited, and also against the analogy of those trade mark cases which deny a right to appropriate a descriptive word.

Before leaving these “dressing up” cases, for the time being, it should be noted that they are in reality trade mark cases of a rather refined sort, too late upon the scene to obtain admittance where they belong,³ for it is impossible to draw any distinction of principle between an unregistered trade mark, which indicates the origin of the article to which it is applied, and the “dress” of an article, which equally and in the same way serves to indicate origin. Whatever distinction there may be, it cannot be said to be of much practical importance, when it is considered that the test of infringement of a trade mark is the probability of deception, while in the “dressing up” cases, if there is probability of deception, relief will be granted.

The connection between trade mark cases and the “dressing up” and “substitution” cases is obviously closer than that between those cases and the other unfair competition cases relating to business names, trade names, and trade secrets, the common link binding all these branches being the good will of which each branch is a part. In every unfair competition case the defendant’s attempt is to appropriate to himself some part of the good will, or the entire good will, of the plaintiff’s business. It will be obvious, therefore, that any given rule of law applicable in trade mark cases, so far as it arises out of the nature of trade marks as a part of good will, is equally applicable to the other parts of good will, not by analogy, but because the cases are for the purpose of that particular rule identical. In cases, however, where the rule does not arise out of the nature of good will property, but is applied upon general reasons of policy, any branch of the law may with propriety be resorted to in the search for analogies.

¹ 164 Mass. 16.

³ *Morgan v. Troxell*, 23 Hun, 632; s. c. 11 Reporter, 241.

² 73 Fed. Rep. 203.

To the "dressing up" cases, whether they be regarded as in reality identical with cases in which an unregistered trade mark is the base of the plaintiff's right, or merely as closely related cases, obviously the general rules applicable to trade marks may be applied, including the fundamental one that actual user by the plaintiff is necessary to establish a right, and the rules governing the length of user necessary to establish a right. These rules arise out of the nature of the right, which is established only by knowledge on the part of the public, and obviously such knowledge cannot be created without user, and cannot exist apart from user; and this rule is applicable and applied in other good will cases, as, for instance, cases of business name¹ and trade name.²

Another fundamental rule of the trade mark law is, that merely descriptive words cannot be exclusively appropriated. This is obviously a rule of policy, its reason being that the use of descriptive words for descriptive purposes is a matter of common right to all men, and the strictness with which the rule is applied may be accounted for by considering the fact that an arbitrary word, while hardly trenching at all upon common right, affords equal protection to the user. The application by analogy of this rule may be traced in those "dressing up" cases which deny a plaintiff's right to appropriate form or color, without other particulars, as distinctive of the origin of his goods.

"SUBSTITUTION."

The "substitution" cases obviously bear a very close relationship to the "dressing up" cases, being but the converse of those cases. The re-use of genuine packages to contain spurious goods is very commonly attempted, and whether fraudulently practised or not it will be enjoined,³ and if the re-use is with fraudulent intent an account will also be given.⁴ An injunction will also be awarded against the sale of goods genuine, but of inferior quality, in a package, or with labels designed to imitate the package, in which the plaintiff markets his better goods;⁵ and the vigor of the courts in the suppression of substitution has been pushed to the extent of

¹ *Beazley v. Soares*, 22 Ch. D. 660.

² *Maxwell v. Hogg*, L. R. 2 Ch. 307.

³ *Barnett v. Leuchars*, 13 L. T. N. S. 495; *Hennessy v. Cooper*, *Sebast. Trade Mark Cases*, 549; *Evans v. Von Laer*, 32 Fed. Rep. 153.

⁴ *Stonebreaker v. Stonebreaker*, 33 Md. 252; *Cartier v. Carlike*, 31 Beav. 292.

⁵ *Hennessy v. White*, 6 W. W. & A'B. Eq. 216; *Hennessy v. Hogan*, 6 W. W. & A'B. Eq. 225; *Gillott v. Kettle*, 3 Duer, 624.

enjoining the unexplained sale of other goods to a customer calling for plaintiff's article, there being no infringement of any trade mark, "dress," or label.¹

BUSINESS NAMES.

A business name is that name under which a business is carried on, whatever it may be, whether a personal name, as is commonly the case, or not.

There is no exclusive right in a name, merely as a name,² protection being given, as in trade mark and "dressing up" cases, only after a right has been established by actual user in business;³ but when so used, the owner will be protected in the exclusive use of his business name.⁴ It has been heretofore held that a medical man,⁵ or an artist,⁶ had not such a business interest in his name as to entitle him to protection; but in the case of a medical man, at any rate, the strong dissent since expressed by eminent judges from the decision in *Clark v. Freeman*,⁷ and the peculiar facts of *Olin v. Bate*,⁸ make it seem probable that when the point again arises the rule now apparently established may not be applied.

While a business name is property, passing to the personal representative,⁹ a distinction, growing out of the nature of the property, is made against an assignee in bankruptcy, who does not take an exclusive right as against the bankrupt.¹⁰ The right to a business name is very greatly qualified however, by the right of others of the same name to use it;¹⁰ but others of the same name must exercise their right in such a way as not to lead to confu-

¹ *Enoch Morgan's Sons v. Wendover*, 43 Fed. Rep. 420; *American Fibre Chamois Co. v. De Lee*, 67 Fed. Rep. 329.

² *Du Bulay v. Du Bulay*, L. R. 2 P. C. 430; *Phelan v. Collender*, 6 Hun, 244; *Hallett v. Cumston*, 110 Mass. 29.

³ *Beazley v. Soares*, 22 Ch. D. 660; *Lawson v. Bank of London*, 18 C. B. 84.

⁴ *Hohner v. Gratz*, 52 Fed. Rep. 871; *Burke v. Cassin*, 45 Cal. 467.

⁵ *Clark v. Freeman*, 11 Beav. 112; *Olin v. Bate*, 98 Ill. 53.

⁶ *Martin v. Wright*, 6 Sim. 297.

⁷ *Per Cairns, L. J.*, in *Maxwell v. Hogg*, L. R. 2 Ch. 307; *Malins, V. C.*, in *Springhead Spring Co. v. Riley*, L. R. 6 Eq. 561; *Lord Selborne, C.*, in *In re Riviera*, 26 Ch. D. 48; *Kay, J.*, in *Williams v. Hodge & Co.* 84 L. T. (Journal), 134.

⁸ *Burke v. Cassin*, 45 Cal. 467.

⁹ *Helmboldt v. H. T. Helmboldt Mfg. Co.*, 53 How. Pr. 453.

¹⁰ *Dence v. Mason*, W. N. 1877, p. 23, 1878, p. 42; *Hallett v. Cumston*, 110 Mass. 29; *McLean v. Fleming*, 96 U. S. 245; *Massam v. Thorley Food Co.*, 6 Ch. D. 574; *Prince Met. Paint Co. v. Carbon Met. Paint Co.*, Codd. Dig. 209; *Meneely v. Meneely*, 62 N. Y. 427; *De Long v. De Long*, 39 N. Y. Supp. 903; 7 App. Div. 33; *American Cereal Co. v. Eli Pettijohn Cereal Co.*, 72 Fed. Rep. 903.

sion.¹ In *Johann Hoff v. Tarrant & Co.*,² the plaintiff had sold "Hoff's Malt Extract" largely in the United States. The defendant began to import and sell malt extract made by Leopold Hoff. Held, that his labels must be "Leopold Hoff's Malt Extract," and not simply "Hoff's Malt Extract."

If the right to the fair use of a business name may be qualified by the prior use by another person of the same name,³ obviously a use with fraudulent intent will be restrained,⁴ and where the user is not of that name it is a badge of fraud;⁵ but in all these cases except the last mentioned the burden is upon the plaintiff clearly to make out a fraudulent intent.⁶

A name adopted by a corporation stands in the same category as one adopted by an individual,⁷ and if it tends to create confusion by its similarity to one already in use its use will be enjoined;⁸ and even when it is adopted in good faith and is the name of an officer of the company.⁹ But this rule against adopted corporate names does not, for obvious reasons, apply when the plaintiff's name is descriptive.¹⁰ Furthermore, a merely colorable right to a business name will be disregarded, and its use enjoined;¹¹ for example, a

¹ *Turton v. Turton*, 42 Ch. D. 128; *McLean v. Fleming*, 96 U. S. 245; *Johann Hoff v. Tarrant & Co.*, 71 Fed. Rep. 163; *Chas. S. Higgins Co. v. Higgins Soap Co.*, 144 N. Y. 462; *contra*, *De Long v. De Long Co.*, 39 N. Y. Supp. 903; 7 App. Div. 33.

² 71 Fed. Rep. 163.

³ *Johann Hoff v. Tarrant & Co.*, 71 Fed. Rep. 163.

⁴ *Taylor v. Taylor*, 2 Eq. Rep. 290; *Clark v. Clark*, 25 Barb. 76; *Stonebreaker v. Stonebreaker*, 33 Md. 252; *Holmes, Booth, & Haydens v. The Holmes, Booth, & Atwood Mfg. Co.*, 37 Conn. 278; *Landreth v. Landreth*, 22 Fed. Rep. 41; *Brown Chem. Co. v. F. Stearnes & Co.*, 67 Fed. Rep. 360; *Clark Thread Co. v. Armitage*, 67 Fed. Rep. 886.

⁵ *Goodyear v. Day*, 22 Fed. Rep. 44; *De Youngs v. Jung*, 27 N. Y. Supp. 370.

⁶ *Turton v. Turton*, 42 Ch. D. 128; *Rogers v. Rogers*, 11 Fed. Rep. 495; *Iowa Seed Co. v. Dorr*, 70 Iowa, 481; *Rogers v. Simpson*, 54 Conn. 527; *Brown Chem. Co. v. Meyer*, 31 Fed. Rep. 453; 139 U. S. 540.

⁷ *Goodyear v. Day*, 22 Fed. Rep. 644.

⁸ *Clark Thread Co. v. Armitage*, 67 Fed. Rep. 896; (C. C. A.) 74 Fed. Rep. 936; *Wm. Rogers Mfg. Co. v. R. W. Rogers Co.*, 66 Fed. Rep. 56; *Wm. Rogers Mfg. Co. v. Rogers & S. Mfg. Co.*, 11 Fed. Rep. 495; *Horton Mfg. Co. v. Horton Mfg. Co.*, 17 Reporter, 261; *De Long v. De Long Co.*, 89 Hun, 399; *Van Auken Co. v. Van Auken Co.*, 57 Ill. App. 240; *Hendricks v. Montagu*, 17 Ch. D. 638; *Nat. Folding Box & Paper Co. v. Nat. Folding Box Co.*, 13 Reports, 60.

⁹ *Chas. S. Higgins Co. v. Higgins Soap Co.*, 144 N. Y. 462.

¹⁰ *Australian Co. v. Australian Museum Co.*, W. N. 1880, p. 6; *Goodyear Co. v. Goodyear Co.*, 128 U. S. 598; *India & China Tea Co. v. Teede*, W. N. 1871, p. 241.

¹¹ *Meriden Britannia Co. v. Parker*, 39 Conn. 450; *Southorn v. Reynolds*, 12 L. T. N. s. 75; *Croft v. Day*, 7 Beav. 84.

written permission from one of plaintiff's name to the defendant does not justify its use, the licensor having no actual interest.¹

The exclusive right to use a descriptive phrase as a business name may perhaps be acquired by long user; as, for example, the right by a maker of taper sleeve pulleys to call his establishment "Taper Sleeve Pulley Works";² or by a coal dealer selling coal at a guinea a ton to call his business "The Guinea Coal Co.";³ or by a clothier to call his store "Mechanic's Store."⁴ The owner of a name may also lose his rights in it by allowing another to use it as a business name.⁵ The right to use a name may be given by assignment, and the right given may be qualified by a condition; but a purchaser without notice will take the right to use the name free of the condition, and so of a purchaser with notice from the innocent vendee.⁶ An exception to the general rule as to the assignability of business names may exist upon grounds of public policy, in the case where the name has acquired a special significance indicative of personal skill or attention,⁷ and contracts whereby one parts with the right to use his own name in a certain trade will in general be jealously viewed by the courts, and not extended beyond their plain terms.⁸ The right to a business name need not be exclusive. It is sufficient if the plaintiff has a right in common with others, while the defendant has no right.⁹

TRADE NAMES.

We have seen that a business name is that name, whatever it may be, by which a going business is known, and which in a way concentrates in itself all the good will the public has for the business. It is obviously a thing of very great value. A trade name has many points of resemblance to a business name, but it is,

¹ Wolfe v. Barnett, 24 La. Ann. 97; s. c. 13 Am. Rep. 111; Shrimpton v. Laight, 18 Beav. 164. But see Hallett v. Cumston, 110 Mass. 29; and conf. Mass. Pub. Stat., ch. 76, § 6.

² Gray v. Taper Sleeve Pulley Works, 16 Fed. Rep. 436.

³ Lea v. Haley, L. R. 5 Ch. 161.

⁴ Weinstock v. Marks, 108 Cal. 529. See also Milner v. Reed, Bryce on T. M. 90; Maller v. Davis, 3 The Times L. R. 221.

⁵ Birmingham Brewery Co. v. Liverpool Vinegar Co., W. N. 1888, p. 139; Marquis of Londonderry v. Russell, 3 The Times L. R. 360.

⁶ Oakes v. Tonsmire, 49 Fed. Rep. 447.

⁷ Mayer v. Flanagan, 34 S. W. Rep. 785 (Texas).

⁸ Chat. Med. Co. v. Thetford, 58 Fed. Rep. 347.

⁹ Southorn v. Reynolds, 12 L. T. N. s. 75; Clark v. Armitage, (C. C. A.) 74 Fed. Rep. 936.

generally speaking, a narrower thing than a business name, standing usually for some one article dealt in by the business. Every one is familiar with that variety of trade name, hardly distinguishable in its business importance and value from a business name, which is exemplified in the name of a house, either of entertainment, of manufacture, or of trade.

The weight of authority in this country is to the effect that such a trade name does not become attached to the building. Whether in a particular case it does become attached or not is probably a question of fact. In *Woodward v. Lazar*,¹ *Wood v. Sands*,² and *Mossup v. Mason*,³ it was held in regard to hotel names that the name had not become attached to the house.⁴ In *Booth v. Jarrett*⁵ it was held that the plaintiff's name had become attached to a theatre, and in *Pepper v. Labrot*⁶ that the plaintiff could not restrain the use of his name by the purchaser of his distillery from his assignee in bankruptcy, while in *De Witt v. Mathey*⁷ it was held that the name "The Saratoga," used and advertised by the plaintiff and his predecessors for thirty-five years as the name of a saloon, was not local, and that the plaintiff was entitled to protection in its use on his removal to a new location.

Apart from this question of locality, such names will always upon a proper showing receive protection.⁸ Actual use in business is essential to the creation of a right in such a trade name, for, as in the similar case of a personal name, there is no right to protection to the name of a house apart from business,⁹ nor can any exclusive right be acquired in a descriptive name, as, for example, "The Mammoth Wardrobe" for a clothier's shop.¹⁰ This latter proposition, however, in view of some recent cases, must be considered as still an open question. These cases will be noticed later.

There is still another class of trade names upon which questions arise more frequently than upon those just considered; namely, those names applied to goods, although not affixed to them, by which they acquire reputation in the market and by which they are known. Such names, for example, as "Two Elephant" yarn,¹¹

¹ 21 Cal. 448.

² Fed. Cas. 17963.

³ 18 Grant Up. Can. 453.

⁴ *Mason v. Queen*, 23 Scot. L. R. 646, *contra*.

⁵ 52 How. Pr. 169.

¹¹ *Orr, Ewing & Co. v. Johnson & Co.*, 40 L. T. N. S. 307. But see *Lorillard v. Pride*, 28 Fed. Rep. 434.

⁶ 8 Fed. Rep. 29.

⁷ 35 S. W. Rep. 1113 (Ky.).

⁸ *Howard v. Henriques*, 3 Sandf. 725.

⁹ *Day v. Brownrigg*, 10 Ch. D. 294.

¹⁰ *Gray v. Koch*, 2 Mich. N. P. 119.

"Cross" cotton,¹ "Bethesda" water,² "Lightning" hay knife,³ or "Extra Dry"⁴ Champagne, will be protected; but on familiar principles merely descriptive names, such as "Desiccated Codfish,"⁵ or "Cherry Pectoral,"⁶ will not be. But it seems that by long user an exclusive right in a descriptive trade name may be acquired,⁷ and that a descriptive trade name will be protected against the sale of inferior goods⁸ under the descriptive name.

Very hard cases have arisen where the article to which the name has been applied has been patented, as to the right of the public, not only to make the thing upon the expiration of the patent, but also to call it by a particular name. As a general proposition, it may be laid down that the fact that a patent has been taken upon an article does not affect the rules of law which govern the decision when the question arises whether the patentee's name for the article is entitled to protection. The question in all cases, both when the article has been patented and when it has not, is simply one of fact: Has the name become descriptive? It may become descriptive in either of two ways; first, because it has come to indicate a new principle of construction, as was held in the cases in the note,⁹ where the name was applied to a new machine; or second, because the article named is a new product, upon which the first producer has bestowed a name which has become identified with the product.¹⁰ If it is found as a fact that the name has become descriptive for either of the

¹ *Cartier v. Westhead*, Sebast. Trade Mark Cases, 199 (1861).

² *Dunbar v. Glenn*, 42 Wis. 118; *The Congress Spring Co. v. The High Rock Spring Co.*, 57 Barb. 526.

³ *Hiram Holt Co. v. Wadsworth*, 41 Fed. Rep. 34.

⁴ *Von Mumm v. Frash*, 56 Fed. Rep. 830.

⁵ *Town v. Stetson*, 5 Abb. Pr. N. S. 218.

⁶ *Ayer v. Rushton*, Codd. Dig. 221.

⁷ *New Home S. M. Co. v. Bloomingdale*, 59 Fed. Rep. 284; *Powell v. Birmingham Brewery Co.*, [1894] 3 Ch. 449; *Bennett v. McKinley*, (C. C. A.) 65 Fed. Rep. 805; *Jaros Hygienic Co. v. Fleece Hygienic Co.*, 65 Fed. Rep. 424. See *Social Register Assoc. v. Howard*, 60 Fed. Rep. 270.

⁸ *Dr. Jaeger's Sanitary System Co. v. Le Boutillier*, 24 N. Y. Supp. 890; *Carlsbad v. Tibbetts*, 51 Fed. Rep. 852.

⁹ *Fairbanks v. Jacobus*, 14 Blatch. 337; s. c. Fed. Cas. 4608; *Singer Mfg. Co. v. June Mfg. Co.*, 16 Sup. Ct. Rep. 1002; *Singer v. Loog*, 8 App. Cas. 376; *Gally v. Colts Mfg. Co.*, 30 Fed. Rep. 122; *Dover Stamping Co. v. Fellows*, 163 Mass. 191.

¹⁰ *The Tucker Mfg. Co. v. Boyington*, 9 Pat. Off. Gaz. 1875; *Cheavin v. Walker*, 5 Ch. D. 850; *Young v. Macrae*, 9 Jur. N. S. 322; *Linoleum Mfg. Co. v. Nairn*, 7 Ch. D. 834; *In re Consol. Fruit Jar Co.*, 14 Pat. Off. Gaz. 269; *Leibig v. Hanbury*, 17 L. T. N. S. 298; *Leclanche Battery Co. v. West. Elec. Co.*, 21 Fed. Rep. 538; *St. Louis Stamping Co. v. Piper*, 33 N. Y. Supp. 443.

above reasons, then it is free to the public, as well before as after the expiration of the patent upon the thing.¹

The argument in support of allowing public appropriation of a trade name to operate to divest the owner's right is, that to protect such a name would practically prolong the monopoly of the patent. To which the obvious answer may be made, that it is not true, for the right to make the thing and the right to represent it as made according to the expired patent, being free, the only advantage that the patentee would have over his competitors would be that arising out of the good will created by the excellence and reliability of his wares,² and the further advantage that under *Morgan v. Wendover*,³ dealers could not substitute the new make of goods without explanation.⁴

That the question of descriptiveness is one of fact will appear from a comparison of *Singer v. Kimball & Morton*⁵ with the *Singer* cases already cited, for, while in the latter cases the court found that the name had become indicative of a principle of construction and therefore descriptive, and refused protection, in the former case the court found that the name was indicative of origin, and granted an injunction. The distinction is to be observed, that, when an article to which a trade name is given is a mere improvement upon existing things, the name given to it by the first producer will not become descriptive.⁶

It is usually laid down as a general proposition, that no exclusive right can be acquired in a geographical name as a trade name,⁷

¹ *Young v. Macrae*, 9 Jur. N. S. 322.

² *Edelsten v. Vick*, 11 Hare, 78; s. c. 1 Eq. Rep. 413.

³ 43 Fed. Rep. 420.

⁴ See *Celluloid Mfg. Co. v. Cellonite Mfg. Co.*, 32 Fed. Rep. 94, in which it is said (per Mr. Justice Bradley), that a right to use a name as a trade mark might coexist with a right in the public by appropriation to use it as a trade name, and consequently that competitors might use the name for advertising purposes though forbidden to affix it to the goods. See also *Gray v. Taper Sleeve Pulley Works*, 16 Fed. Rep. 436, in which it was held that a right to use a descriptive phrase as a business name might coexist with a right in the public to use the phrase as a trade name, and *Gebbie v. Stitt*, 82 Hun, 93, in which the defendant had appropriated a geographical business name and trade mark, and in which an injunction only against the use of the geographical name as a trade mark was granted.

⁵ 10 Scot. L. R. 173.

⁶ *Barlow & Jones, Ltd. v. Johnson & Co.*, 34 Sol. Journ. 298; Ct. of App., W. N. 1890, p. 110; *Hiram Holt Co. v. Wadsworth*, 41 Fed. Rep. 34.

⁷ *Canal Co. v. Clark*, 13 Wall. 311; *Glendon Iron Co. v. Uhler*, 75 Pa. St. 467; *N. Y. Cement Co. v. Coplay Cement Co.*, 45 Fed. Rep. 212; *Genesee Salt Co. v. Burnap*, 67 Fed. Rep. 534; *Bulloch v. Gray*, 19 Journ. of Juris. 218; *Candee, Swan & Co. v. Deere & Co.*, 54 Ill. 439.

upon the ground of its descriptiveness. But this rule against geographical trade names has so many exceptions as almost to have reached the vanishing point. For example, where the plaintiff controls the product of an article which is called by the name of the place where it is produced, his use of the geographical name will be protected; while as against a person using a geographical¹ name upon goods actually made elsewhere, protection will be given to one who can truthfully use the geographical trade name, whether he is the only person who can truthfully use it or not.²

In *N. Y. Cement Co. v. Copley Co.*,³ the plaintiff made cement at Rosendale, and cement bearing that name was understood by the public to be made at Rosendale. It did not appear that there were not many makers of cement at Rosendale. Defendant made cement in another State and sold it as "Rosendale" cement. Held, no relief unless it could be shown that the plaintiff had an exclusive ownership or property in the name Rosendale. Per Mr. Justice Bradley: "Would not the allowance of such an action be carrying the doctrine of liability for unfair competition too far? . . . It seems to us that this would open a Pandora's box of vexatious litigation. . . . Unless there is an invasion of some trade mark or trade name, or peculiarity of style in which some person has a right of property, the only persons legally entitled to judicial redress would seem to be those who are imposed upon by such pretences."

New York Cement Co. v. Copley Cement Co. decides that, to entitle the plaintiff to protection in such cases as those now under consideration, his right to use the geographical trade name must be exclusive. In this, however, the case stands alone against the decisions of all other United States courts in which the question has arisen,⁴ against the decisions of those State courts in which the question has arisen, and against the decisions of United States courts in analogous cases. It is opposed also to the evident leaning of a Circuit Court of Appeals,⁵ and in *Carlsbad v. Tibbetts*⁶ the court indulges in a pointed criticism of the case.

¹ *Carlsbad v. W. T. Thackaray & Co.*, 57 Fed. Rep. 18; *La République Française v. Schultz*, 57 Fed. Rep. 37.

² *Newman v. Alvord*, 51 N. Y. 189; *Lea v. Wolff*, 13 Abb. Pr. N. S. 389; *Blackwell v. Dibrell*, 3 Hughes, 151; *Braham v. Beachim*, 7 Ch. D. 548; *Association v. Piza*, 24 Fed. Rep. 125; *Southern White Lead Co. v. Cary*, 25 Fed. Rep. 125; *Southern White Lead Co. v. Coit*, 39 Fed. Rep. 492. *Contra*, *N. Y. Cement Co. v. Copley Cement Co.*, 44 Fed. Rep. 277.

³ 44 Fed. Rep. 277.

⁴ See Note 2, above.

⁵ *Scheur v. Muller*, 51 Fed. Rep. 852.

⁶ 74 Fed. Rep. 225.

That an exclusive right in plaintiff is not essential was held in an analogous case in a Circuit Court in *Carson v. Ury*,¹ where an injunction was granted at the suit of a member of a Labor Union against a printer who sold imitation Union labels, the bill alleging that the public and the plaintiff were defrauded and the plaintiff injured in his business.² The owner of a business name, too, is protected against others not of that name,³ and may even acquire a right by user against those of the same name, compelling the second user to distinguish himself.⁴ It will be observed that the line of cases of which *Association v. Piza* is one⁵ give protection without regard to exclusive right in the plaintiff, as against one who cannot use the geographical name truthfully.

That a right may be acquired by user, in a geographical trade name, as against those who can use it with as much truth as the plaintiff, appears to be the doctrine of a line of English cases.

In *Wotherspoon v. Currie*,⁶ the plaintiffs were makers of starch, at first at Glenfield, and afterwards at *another place*, and their starch was known as the "Glenfield" starch. The defendant began to make starch at Glenfield, and sold it in packages upon which that word was printed in large letters, together with defendant's name. Injunction granted to restrain the defendant from using the word "Glenfield" in connection with his starch.

In *Thompson v. Montgomery*⁷ plaintiffs and their predecessors for one hundred years had made ale at Stone, and their ale was widely known as "Stone" ale, which name had been refused registration as a trade mark. They were the only brewers at Stone until the defendant commenced to brew ale there, and sell it as "Stone" ale, and also to imitate the plaintiff's labels. Injunction restraining the defendant from using the words "Stone Ale."⁸

In these cases the decision is rested upon the ground of fraud, and it is freely admitted that the plaintiff can have no property in the descriptive word. It is difficult to see, if the plaintiff is denied a right in the descriptive word upon the ground that others have

¹ 39 Fed. Rep. 777.

² *People v. Fisher*, 50 Hun, 552; *Perkins v. Heert*, 39 N. Y. Supp. 223; 5 App. Div. 335, *accord*. *Schneider v. Williams*, 44 N. J. Eq. 391; *Cigar Makers' Union v. Companni*, 40 Minn. 243; *Weener v. Brayton*, 152 Mass. 101, *contra*.

³ *Hohner v. Gratz*, 52 Fed. Rep. 871.

⁴ *Johann Hoff v. Tarrant & Co.*, 71 Fed. Rep. 163.

⁵ Note 2, page 292.

⁶ L. R. 5 H. L. 508.

⁷ *Thompson v. Montgomery*, 41 Ch. D. 35.

⁸ *Powell v. Birmingham Brewery Co.*, [1894] 3 Ch. 449, *accord*.

an equal right to it, why it is fraudulent in one of these others to exercise his right, and why the plaintiff has not himself to blame if he suffers harm thereby, inasmuch as with him it lay at the outset to select a non-descriptive word as his trade name. It seems an undefined jurisdiction for courts to enter upon, and either the public must submit to the first appropriation of a descriptive trade name, or use the descriptive name for descriptive purposes at the peril of being branded as fraudulent. If the cases be read as showing that under certain circumstances a right to a descriptive word may be acquired by user, the public has no means of knowing, without experiment, what will be held to be a sufficient user to give an exclusive right, and individuals must determine this at their peril. In this country, with the exception of the case of *Gebbie v. Stitt*,¹ mentioned below, the courts have gone no further in protecting geographical trade names than to give protection as against a defendant who could not truthfully use it.²

The doctrine of *Wotherspoon v. Currie*, *Thompson v. Montgomery*, and *Powell v. Birmingham Brewery Co.*, was repudiated in *Elgin Butter Co. v. Sands*,³ and the recent case of *Reddaway v. Banham*⁴ seems to indicate that a reaction may be looked for against the abandonment of the safe ground of a property right in plaintiff as a basis of relief. In *Reddaway v. Banham*,⁴ the plaintiff had made belts of camel's hair for many years, and had sold them under that name. The defendant began to make belts of camel's hair, and to sell them under that name. Held, that the defendant was entitled to call his goods by a name which was merely a substantially correct description of them, although, by reason of the plaintiff having for many years sold similar goods under the same name, purchasers might be thereby misled into the belief that they were buying the goods of the plaintiff.⁵

Wotherspoon v. Currie and *Thompson v. Montgomery* show the extreme limit reached in geographical trade name cases, while *Gebbie v. Stitt*⁶ represents the extreme to which a court in this country has gone in such a case. There, upon facts almost identical with those of *Wotherspoon v. Currie*, except that there was evidence of fraudulent intention beyond that afforded by the mere

¹ 82 Hun, 93.

⁸ 155 Ill. 127.

² Note 2, page 292.

⁴ [1895] 1 Q. B. 286.

⁵ See *De Long v. De Long*, 39 N. Y. Supp. 903; 7 App. Div. 33; *Coats v. Merrick Thread Co.*, 36 Fed. Rep. 324; 149 U. S. 562; *Lorillard v. Pride*, 28 Fed. Rep. 434.

⁶ 82 Hun, 93.

fact of setting up business and using the geographical trade name, which was not the case in *Wotherspoon v. Currie*, an injunction was granted, limited to the use of the trade name as a trade mark. *Orr, Ewing & Co. v. Johnson*¹ is also a very extreme case, the defendant being enjoined from using a label every feature of which was common to the trade, as was the case of the label used by the plaintiff, because ultimate purchasers in India had given the plaintiff's goods a trade name derived from a representation of two elephants which formed part of plaintiff's ticket, and the court thought it likely that defendant's goods, the ticket of which also had two elephants as a feature, might perhaps derive some benefit from this fact. In *Lorillard v. Pride*,² upon similar facts, a different conclusion was reached in this country.

In business names, *Lea v. Haley*³ and *Gray v. Taper Sleeve Pulley Works*⁴ represent the extreme in England and the United States, in both cases a purely descriptive phrase being given protection as a business name.

In "dressing up" cases we have left our English cousins far behind. The extension of plaintiffs' rights at the expense of the public, and the abandonment of property in the plaintiff as a ground of action, is illustrated in *Hildreth v. McDonald*, *Von Mumm v. Frash*, and *Cook v. Ross*. In *Hildreth v. McDonald*⁵ and *Von Mumm v. Frash*⁶ protection was afforded to color alone as a distinctive mark, and in *Cook v. Ross*⁷ to shape alone. The old rule as shown in *Moorman v. Hoge*⁸ and *Mumm v. Kirk*,⁹ that color and shape alone could not be exclusively claimed seems to be passing away, and nothing is certain in "dressing up" cases but that a man cannot claim the exclusive right to do up his goods in brown paper,¹⁰ nor the exclusive right to put them up in a package well known and used for other purposes, a tin pail, to wit.¹¹

TRADE SECRETS.

The communication or use of a trade secret by one who is bound in good conscience not to use or communicate it will be restrained,¹²

¹ Stated on page 279.

⁴ 16 Fed. Rep. 436.

⁷ 73 Fed. Rep. 203.

² 28 Fed. Rep. 434.

⁵ 164 Mass. 16.

⁸ Fed. Cas. 9783.

³ L. R. 5 Ch. 155.

⁶ 56 Fed. Rep. 830.

⁹ 40 Fed. Rep. 589.

¹⁰ *N. K. Fairbank Co. v. R. W. Bell Mfg. Co.*, 71 Fed. Rep. 295.

¹¹ *Harrington v. Libby*, 14 Blatch. 128; s. c. Fed. Cas. 6107.

¹² *Peabody v. Norfolk*, 98 Mass. 452; *Merryweather v. Moore*, [1892] 2 Ch. 518; *Youatt v. Winyard*, 1 Jac. & W. 394; *Western v. Hemmons*, 2 Vict. L. R. Eq. 121; *Whitney v. Hickling*, 5 Grant Up. Can. Ch. 605.

and the equity will follow the secret into the hands of all who take with notice;¹ but when fairly discovered or taken without notice it is free.² Where one who has become acquainted with the secret stands by and allows another to purchase without disclosing his knowledge, he will be restrained from himself using it.³ In a case where one has received a secret in trust for others and himself, and has used it for his sole advantage, although a sale cannot be ordered, the court will order its value ascertained for the benefit of the *cestuis*.⁴

CONTRIBUTORY INFRINGEMENT.

The law of Unfair Competition recognizes an indirect infringement of a plaintiff's right by assisting or contributing to an infringement by others, as by advising dealers to refill genuine and distinctive bottles with spurious liquor,⁵ or furnishing an empty distinctive bottle and selling a liquor with which it may be refilled,⁶ or printing and selling labels sufficiently like plaintiff's label to cause confusion and fraud;⁷ and a wharfinger who has notice that goods warehoused with him bear a spurious brand, and that the injured party intends to apply for an injunction, is justified in refusing to deliver the goods to the owner pending the motion.⁸

The equitable doctrine, that the plaintiff must commend himself to the court in order successfully to invoke its aid, obtains in full force in Unfair Competition cases. For example, if the labels of plaintiff's package represent the contents as pure and unadulterated, contrary to the fact,⁹ if they assert a manifest falsehood and physiological impossibility,¹⁰ if they are designed to deceive the public into the belief that the contents are something that they in

¹ *Morrison v. Moat*, 21 L. J. Ch. 284.

² *Estcourt v. Estcourt Hop. Ess. Co.*, L. R. 10 Ch. 276.

³ *Portal v. Hine*, 4 *The Times* L. R. 330; *Peabody v. Norfolk*, 98 Mass. 452; *Salomon v. Hertz*, 40 N. J. Eq. 400.

⁴ *Green v. Folgan*, 1 S. & S. 398.

⁵ *Hostetter v. Bruëggemann*, 46 Fed. Rep. 188.

⁶ *Hostetter v. Becker*, 73 Fed. Rep. 297.

⁷ *Colman v. Crump*, 70 N. Y. 573; *Carson v. Ury*, 39 Fed. Rep. 777.

⁸ *Hunt v. Maniere*, 34 L. J. Ch. 144.

⁹ *Krauss v. Jos. R. Peebles Sons Co.*, 58 Fed. Rep. 585.

¹⁰ *Kohler v. Beeshore*, (C. C. A.) 59 Fed. Rep. 572.

fact are not,¹ if essential facts are misstated,² or if the plaintiff's business is illegal,³ the court will not give its protection.

The relative rather than the absolute nature of the plaintiff's right in Unfair Competition and trade mark cases is emphasized by the prominence which the question of the defendant's intent as affecting the plaintiff's right assumes. So far as the plaintiff's right to an injunction is concerned, it is universally held that, the plaintiff showing a right, and an invasion of that right being proved, the defendant must be enjoined. And as the text of an invasion of a right in a trade mark, "dress" of goods, business name, or trade name case, is the same, namely, whether what the defendant does has caused or is likely to cause⁴ confusion or fraud, cases under all these heads are authority for this proposition.⁵ But it has been held that the absence of a fraudulent intention upon the defendant's part would prevent an inquiry as to damages,⁶ or even an account,⁷ while in *Cartier v. Carlisle*⁸ and *Dixon v. Fawcus*⁹ it was held that the intent was wholly immaterial upon the question of an account, and to the same effect are *Burgess v. Hills*¹⁰ and *Stonebraker v. Stonebraker*.¹¹ In *Southorn v. Reynolds*¹² both an account and an inquiry as to damages were given. When the infringement consists of the resale by a retailer of spurious goods marked in violation of plaintiff's rights, the retailer having no notice of the fact, Romilly,

¹ *Cal. Fig Syrup Co. v. Putnam*, (C. C. A.) 69 Fed. Rep. 740.

² *Manhattan Med. Co. v. Wood*, 108 U. S. 218.

³ *German Asso. v. Oldenberg Asso.*, 46 Ill. App. 281; *Portsmouth Brewing Co. v. Portsmouth Brewing Co.*, 30 Atl. Rep. 346 (N. H.); *Electric Co. v. Perry*, 75 Fea. Rep. 898.

⁴ *Hendricks v. Montague*, 17 Ch. D. 638; *Lever v. Goodwin*, 36 Ch. D. 1; *Orr, Ewing & Co. v. Johnson*, 40 L. T. N. S. 307; *Shaw v. Pilling*, 175 Pa. St. 78; *Wiest Co. v. Weeks Co.*, 7 Kulp, 505; *Listmann Co. v. Wm. Listmann Co.*, 88 Wis. 334; *Taendstickfabriks v. Myers*, 139 N. Y. 364.

⁵ *Menendez v. Holt*, 128 U. S. 182; *McLean v. Fleming*, 96 U. S. 245; *The Amoskeag Co. v. Garner*, 4 Am. L. T. N. S. 176; *The Singer Mfg. Co. v. Wilson*, 3 App. Cas. 376; *Holmes, Booth & Haydens v. The Holmes, Booth & Atwood Mfg. Co.*, 37 Conn. 278; *Graham & Co. v. Ker, Dods & Co.*, 3 Beng. L. R. App. 4; *Barnett v. Leuchars*, 13 L. T. N. S. 495; *Clement v. Maddick*, 15 Giff. 98; *Hendricks v. Montague*, 17 Ch. D. 638; *Singer Mfg. Co. v. Loog*, 18 Ch. D. 417; *Bass v. Guggenheimer*, 69 Fed. Rep. 271; *Cuervo v. Landauer*, 63 Fed. Rep. 1003; *Chas. S. Higgins Co. v. Higgins Soap Co.*, 144 N. Y. 462.

⁶ *Weed v. Petersen*, 12 Abb. Pr. N. S. 178.

⁷ *Edelsten v. Edelsten*, 1 DeG. J. & S. 185.

⁸ 31 Beav. 292.

⁹ 3 E. & E. 537.

¹⁰ 26 Beav. 244.

¹¹ 33 Md. 252.

¹² 12 L. T. N. S. 75.

M. R., who decided *Cartier v. Carlisle*, drew a distinction and refused an account, and in *Ainsworth v. Walmsley*¹ under the same circumstances an injunction was refused.

The measure of profits upon an account or of damages in an action or upon an inquiry as to damages, is the profit made by the defendant upon all goods sold, or the profit which the plaintiff would have made if he had sold the same quantity of goods.² The court will not be astute in dividing profits for the benefit of a wrongdoer, nor place an undue burden upon the plaintiff in proving his damages. The right to an account may be lost by laches,³ but although the right to an account has been lost by delay, the right to damages will still subsist.⁴

Fraudulent intent alone, admitted by demurrer, has been held sufficient ground in the United States for an injunction *pendente lite*,⁵ while in England it has been held that the defendant's fraudulent intent was sufficient ground for a perpetual injunction.⁶ The courts of this country have yet to decide that a plaintiff can prevail, not upon the strength of his own title, but upon the state of his opponent's mind.

Oliver R. Mitchell.

¹ L. R. 1 Eq. 518.

² *Stonebraker v. Stonebraker*, 33 Md. 252; *Lever v. Goodwin*, 36 Ch. D. 1; *Graham v. Plate*, 40 Cal. 593; *Hostetter v. Vowinkle*, 1 Dill. 329; s. c. Fed. Cas. 6714; *Faber v. Hovey*, Codd. Dig. 79, 249.

³ *McLean v. Fleming*, 96 U. S. 45.

⁴ *Drummond v. Addison*, 52 Mo. App. 10.

⁵ *Enoch Morgan's Sons Co. v. Hunkell*, 10 Rep. 577; s. c. 6 Pat. Off. Gaz. 1092.

⁶ *Wotherspoon v. Currie*, L. R. 5 H. L. 508; *Thompson v. Montgomery*, 41 Ch. D. 42.